

9th September 2011

Committee Secretary
Senate Standing Committees on Environment and Communications
PO Box 6100
Parliament House
Canberra ACT 2600

Dear Secretary,

I am making this submission as both an ABC viewer and as a current ABC employee, concerned about management's decision to make cuts to internal television production. I believe that management's decision is short-sighted, goes against many of the principles in the ABC Charter and is based on unconvincing arguments and deceiving figures.

In the following paragraphs, I'll comment on some of your inquiry's terms of reference.

(a) The implications of this decision (the internal tv program cuts) on the ABC's ability to create, produce and own its television content, particularly in the capital cities of Brisbane, Adelaide, Perth and Hobart

If the number of ABC produced programs is cut, it follows that the ABC's ability to create, produce and own its television content is significantly reduced.

When internally produced programs are axed and not replaced with other internally produced programs, expert staff are lost. Without the production staff, the ABC cannot create or produce content that it then owns. Instead, to fill its schedule, it relies on purchasing 100% externally produced programs (which the ABC has only broadcasting rights to), and funding co-productions (which the ABC has extremely limited rights in). Either way, the ABC no longer fully owns the content it broadcasts.

Obviously, reducing the number of internally made programs will negatively affect the smaller interstate offices (Brisbane, Adelaide, Perth and Hobart). With less content being made in house, and more being made externally, the ABC becomes reliant on working with external production companies, many of which are based in Sydney and Melbourne.

Further to this, in a recent ABC radio interview, Michael Cordell (of Cordell Jigsaw Productions) made the point that independent production companies do not make programs for the ABC for the money. If this is true, then surely the list of potential production companies that the ABC can work with is restricted to those companies large enough to bear the cost of doing so. So not only are nationwide based productions replaced with programs made by Sydney and Melbourne based companies, they are replaced by programs made by a limited number of big Sydney and Melbourne based production companies. The reduction of internal program making at the ABC, will diminish program making opportunities in the smaller states. When these production opportunities are lost, so too are the perspectives and opinions they would have shared and the local stories they know, and would have chosen to tell.

(b) The implications of this decision on Australian film and television production in general and potential impact on quality and diversity of programs

There is no doubt that Australian film and television production will suffer because of the decision to significantly decrease internal tv production at the ABC. The ABC is an independent voice, free to tell the stories it deems important for Australians, free from the interference of private interests, and free from profit seeking objectives. If the ABC loses large numbers of its production staff, it will find itself only able to select from content that is available outside. If there is a lack of suitable programming being made (or being pitched) in the independent sector, the ABC will find its voice restricted, as it will be unable to fall back on the creative talents of its staff (as they will have been let go).

I fear that the quality and diversity of the programs offered by the ABC will decrease when the number of internally made productions are cut. The quality of programs is largely determined by the talent and expertise of those that create them. Where else but at the ABC can you hope to find specialised production teams dedicated to creating specialised content? The staff in the ABC Arts unit (for example), are arts production specialists, with many, many years of specialised knowledge and program making experience. In my mind it would be difficult (if not impossible) to find an equivalent pool of expertise, focused only upon creating Australian arts content. Independent production companies often have their fingers in many pies at once, and it is hard to imagine that they would be interested in nurturing and developing the kind of specialist program making teams capable of creating high quality programming, that the ABC has (or has had) at its fingertips.

The decision to cut internal television production also places the ABC in dangerous territory regarding its ability to bargain with external companies for quality content. If in-house production capabilities are no longer supported, the ABC is obliged to pay whatever the market demands for its acquired and co-produced content. This then affects the ABC's ability to be editorially independent, as it is only able to select from available content/projects that fit within its budget constraints (which Kim Dalton assures us are tight).

Similarly, I believe that the ABC's cuts to internal production will harm the diversity of the range of programs it broadcasts. The ABC charter specifies that the corporation will take account of its responsibility "as the provider of an independent national broadcasting service to provide a balance between broadcasting programs of wide appeal and specialised broadcasting programs" yet it is proposing to axe Australian focussed arts program *Art Nation*, science driven *The New Inventors* as well as sports coverage such as *Lawn Bowls* (all specialised broadcasting programs). There have also been discussions surrounding the possible cutting of the *SANFL* and *WAFL*. If these cuts don't reflect a disregard for diversity, then I don't know what does. Kim Dalton's argument for these changes, has been largely related to ratings. If programming decisions by ABC TV are being based on ratings, then there is a real danger that specialised (lower rating) programs will be replaced by externally made programs (with mass appeal), and the ABC's obligation to provide a diversity of programs will be ignored. Not every program is going to be as successful as *Spicks and Specks*, but programs like the ones mentioned above do have their place on the public broadcaster. There must be an alternative to the ratings driven commercial network offerings and the ABC should not be managed for ratings.

(d) The implications of these cuts on content ownership and intellectual property

If the ABC decreases its internal production, and increases its purchase of external content as well as its investment in co-productions, the ABC loses ownership of its content. I work as an ABC archives researcher on internal programs, external programs and on co-productions

and am very aware of the long term benefits to the ABC of making internally produced programs (as opposed to funding external companies' productions or purchasing programs for broadcast only).

When the ABC makes its own programs, it owns all of the footage it has captured, and this footage (including important camera tapes/rushes) is preserved in the archive. Apart from preserving this material as a historical record of Australia's media and cultural landscape, the ABC preserves material so that future program makers (both internal and external) can access it for use in new productions (be they documentaries, exhibitions, tv series etc). ABC owned vision is a valuable resource which is used and reused by internal program makers for free, and made available to external production companies/clients to licence for further use. This benefits ABC program makers and external program makers (who can rely on well catalogued and preserved material for their use). The licensing of this ABC owned vision also benefits the ABC financially (there is a whole area of ABC Commercial – ABC Library Sales, dedicated to selling library held vision).

When the ABC purchases programs for broadcast, the programs remain the copyright of the production house that produced them and the ABC has rights to broadcast the program only. The ABC cannot claim any rights in any of the footage, it cannot be reused by internal staff (without a fee being charged), external producers have no access to the programs and the programs are sent back to their owners when the licence period expires.

When the ABC forms co-production arrangements with external production companies, it funds projects that have very limited value to the ABC after transmission. The ABC might occasionally be given rights to make DVDs of the production available commercially, or may be given rights to represent the sale of the program to overseas broadcasters, but compared to fully owned ABC productions, the financial benefit they derive from these activities is much less.

Additionally, since the ABC does not have ownership over co-produced programs, footage from these programs cannot be reused by ABC program makers for free, nor can the ABC derive worthwhile benefit financially by licensing vision from co-productions to third parties. Also, when dealing in co-productions, the ABC does not have the rights to acquire any additional camera tape vision/rushes from the production. Our archive doesn't benefit and neither do the program makers (both internal and external) who might have made use of vision from the co-produced program or its camera tape vision/rushes.

Kim Dalton argues that he can get more value for the ABC's money by entering into co-pro arrangements, quoting the increased number of hours of programming acquired as the basis of his argument. What he is not considering is the fact that the ABC doesn't own this content and cannot reuse footage from it (without paying fees) in further productions. By funding more and more external productions the ABC is losing the opportunity to add hours and hours of content to its archive, denying the opportunity for material be stored appropriately and reused. Instead the ABC is giving money to external production companies to create content that the ABC has no ownership over (intellectually or legally).

(g) Any other related matters

Replacing fully ABC produced content with co-productions and bought in programs is not a good deal for the taxpayer. In decreasing the number of internally made programs, Kim Dalton is investing public money in programs that won't belong to the Australian public.

In conclusion, I'd just like to reiterate a couple of points. As a staff member at the ABC, I believe that it makes no sense to cut more of our productions. We have staff, we have facilities and equipment and we have specialised knowledge and experience. In short we have all we need to create intelligent, independent, high quality programming that we can own and reuse as we see fit. The ABC should not be beholden to ratings. It should respect its obligation to provide a diversity of programs (regardless of mass appeal). It should be a real alternative to the commercial networks and it should create content that is preserved properly and whose ownership rests with the ABC.

Finally, I think there should be some questions asked of management.

- What processes does Kim Dalton follow when selecting which independent production companies get funding from the ABC for particular projects? Is this a transparent process? Should it be? (it is taxpayers money being spent after all).
- In the media, Kim Dalton seems to constantly quote the percentage of ABC owned programs, broadcast by the ABC as 84%. I believe that this figure is deceptive and includes co-produced content (which the ABC does not own). He should be asked to explain this.
- With particular reference to the Axing of Art Nation, Mark Scott in his email to staff said that "The *Art Nation* decision stems from a desire in ABC TV to engage larger audiences for the important arts programming genre". If the desire to engage larger audiences is the reason for this cut, then Scott should be asked to explain why Art Nation (clearly part of the "important arts programming genre") has never been put in a prime time slot and given a real chance to engage larger audiences? Prime time seems to be where Mr Dalton wants to put some of the replacement programming. Why was this not offered to Art Nation? Also, I cannot remember the last time I saw a promo for Art Nation on ABC TV. If low ratings are the basis for the decision to cut Art Nation, was there any effort by TV to try and lift the ratings for the show by giving it a chance to market itself adequately?
- Can ABC management confirm that axed program Art Nation will be replaced with another program that features Australian arts and artists? Kim Dalton, in a recent article in the Age newspaper said:

"We're not abandoning arts programming on a Sunday afternoon, by the way, we will continue to program arts but it will be acquired programming. Mostly it will be overseas programming because it's much cheaper for us to buy that programming"

Read more: http://www.theage.com.au/entertainment/tv-and-radio/abc--to-axe_shows-and-jobs-20110802-1i9dv.html#ixzz1UaZNnTCp

This clearly goes against point 1 (c) of the ABC charter which states that one of the functions of the ABC is "to encourage and promote the musical, dramatic and other performing arts in Australia".

I thank you for considering my submission.

Sincerely,
Beth Shepherd.

